
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 3.4.2010

Wall Street Journal: "Senators in Consumer Agency Talks ... Several senior Republicans have joined negotiations with Banking Committee Chairman Christopher Dodd (D., Conn.) over how to construct consumer-protection rules, potentially bringing more Republican votes to a broader revamp of finance rules-if Democrats can stomach more concessions."

Wall Street Journal: "Treasury Issues Standards For Consumer Protection Rules ... Treasury Secretary Timothy Geithner and other senior administration officials met with multiple consumer and public interest activists on Wednesday and the administration later detailed the standards it believes would make any new consumer protection regime "accountable and effective.""

Wall Street Journal: "Regulation Is Risky, Says Group Appointed by Regulated Banks ... Last year, the Institute of International Finance, a trade association of global banks, put together an all-star group of bankers, hedge fund operators and former government officials to alert us all to "systemic risk" - the kinds of risk that can sink an economy."

Wall Street Journal: "Beige Book: Economy Is Improving, but Snow Hit Some Areas Hard ... U.S. economic conditions kept improving slightly at the start of 2010, but the blizzards that hit the East Coast in February hurt several areas, the Federal Reserve said in a report Wednesday."

Wall Street Journal: "The IMF's Inflation Illusion ... The International Monetary Fund's chief economist, Olivier Blanchard, recently published a paper ("Rethinking Macroeconomic Policy") that attempts to distill preliminary lessons from the financial crisis. The paper contains much that is useful and worthy of further consideration-but it also suggests that central banks should aim for higher inflation during normal times, say 4%."

Washington Post: "Transcript reveals anger of AIG employees toward politicians, public ... During the national furor that erupted last year after American International Group paid more than \$165 million in bonuses, the voices of those vilified for receiving the payments remained silent, at least in public."

Washington Post: "Fed proposes limits on credit card penalty fees ... The Federal Reserve proposed restrictions Wednesday on penalty fees that credit card issuers can charge consumers, including limiting the amount of late fees."

NY Times: "White House Offers Bill to Restrict Big Banks' Actions ... The Obama administration put forward legislation on Wednesday to rein in the size and scope of the nation's largest banks. But the proposal faces strong resistance in Congress, where lawmakers have shown little appetite for adding to the prolonged debate on overhauling financial regulations."

NY Times: "Trusted Adviser or Stock Pusher? Finance Bill May Not Settle It ... You have probably seen the television commercial, the one where you seem to be watching an intimate conversation between family members. But at the end, you learn that the conversation was actually between a broker and his client."

LA Times: "Downgrade of consumer financial protection agency threatens Obama's overhaul plan ... The move this week to downgrade a proposed Consumer Financial Protection Agency to lure bipartisan support instead appears to be undermining the Obama administration's effort to overhaul the nation's regulation of the entire industry."

USA Today: "Fed proposes limits on credit card penalty fees ... The Federal Reserve on Wednesday proposed strict

limits on penalty fees and other charges that credit card companies can slap on customers for missteps such as late payments or going over credit limits."

Washington Times: "Treasury fails on transparency rules ... In one of his first official acts as Treasury secretary, Timothy F. Geithner promised to make sure the public knew what lobbyists were up to when contacting his department about the bailout of troubled financial institutions."

Washington Times: "RANDAZZO: Bulldozing the dream ... Taxpayers have already spent more than \$111 billion bailing out mortgage giants Freddie Mac and Fannie Mae, and that's going to be just the tip of the iceberg."

Bloomberg: "'Volcker Rule' Draft Signals Obama Wants to Ease Market Impact ... The Obama administration's legislative draft of the so-called Volcker Rule incorporated exemptions that may ease the impact on financial markets should it be enacted."

Politico: "Corker: 'Real close' on Wall St. regs ... A top Republican negotiator said Wednesday that senators are very close to reaching a bipartisan compromise on the consumer protection component of financial reform legislation - a deal that would give a major boost to a top Obama administration priority."

Politico: "Mortgage reform key to recovery ... As it moves to fix the financial system, the Obama administration hasn't been shy about telling bankers what to do."

The Hill: "Administration outlines 'Volcker rule' for banks ... Details of how the Obama administration is considering clamping down on big financial firms under the "Volcker rule" circulated on Wednesday."